

City of Bellingham Revenue Development Area Car Dealers and Leasing Companies Effective January 1, 2007

Effective January 1, 2007, the City of Bellingham will establish the formation of a Revenue Development Area (RDA) in order to undertake community revitalization. The RDA is an area within the City of Bellingham defined by the attached map, activity within the RDA should be reported to location codes 3761 or 3781. The new location codes represent a reporting change only; the rate has not changed.

The retail sale or use of motor vehicles, and the lease of motor vehicles for up to the first thirty-six months of the lease, **are exempt from the public safety tax imposed.**

Reporting Instructions for Retail Sales:

Businesses that report retail sales within the RDA (**other than sales or leases of motor vehicles**) will need to report using the following location code and tax rate:

Location	Location Code Number	Local Sales Tax Rate	State Sales Tax Rate	Total Sales Tax Rate
Bellingham	3701	.019	.065	.084
Bellingham RDA	3781	.019	.065	.084

Special Reporting Instructions for Sales or Leases of Motor Vehicles:

Businesses that report sales or leases of motor vehicles within the RDA (for up to the first thirty-six months of the lease) will need to report using the following location code and tax rate:

LOCATION	LOCATION CODE NUMBER	LOCAL SALES TAX RATE	STATE SALES TAX RATE	TOTAL SALES TAX RATE
Bellingham	3751	.018	.065	.083
Bellingham RDA	3761	.018	.065	.083

(example on following page)

Below is an example of how to report local retail sales tax on your excise tax return assuming sales of motor vehicles total \$50,000 and repairs total \$10,000 in the Bellingham RDA.

Location Code	Taxable Amount		Local Rate	Tax Due City or Co.	
3781	10,000	00	.019	190	00
3761	50,000	00	.018	900	00
TOTAL TAXABLE	60,000	00	TOTAL	1090	00

Represents retail sales/services.

Represents only motor vehicle sales/leases.

Tax Classification	Taxable Amount		Rate	Tax Due	
Motor Vehicle Sales/Leases (eff. 7/1/03)	50,000	00	.003	150	00

Note: The three-tenths of one percent (.003) Motor Vehicle Sales/Lease Tax that was implemented July 1, 2003 still applies to the sale, lease, or rental of motor vehicles.

To determine the proper rate of local sales tax you may access the Geographic Information System (GIS) located at <http://dor.wa.gov>. On the home page, click on the GIS icon and select Sales Tax Rates.

This notice is being sent to businesses that have reported local sales or use tax to the City of Bellingham within the last year.

If you have questions, or if Sales Tax Collection Schedules are needed, please go to our web site at <http://dor.wa.gov> or call the Department of Revenue at 1-800-647-7706.

State of Washington
Taxpayer Account Administration
PO Box 47476
Olympia WA 98504-7476

Phone: 1-800-647-7706

For tax assistance, visit <http://dor.wa.gov> or call 1-800-647-7706. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users please call 1-800-451-7985.

(PD 12-27-06)

Revenue Development Area for the City of Bellingham



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